

MEMORANDUM

TO: All KDOC Staff
DATE: May 7, 2009
FROM: Roger Werholtz, Secretary



RE: Budget Status Update for Fiscal Year 2010

I am writing to advise you that the House and the Senate today reached agreement on an omnibus spending bill that calls for an additional cut of 2.75% beyond the level previously approved for Fiscal Year 2010. This bill does not include provisions for statewide furloughs or reductions in employee salaries. This legislation will now be forwarded to Governor Parkinson for his consideration, and I anticipate that he will sign it.

For the Department of Corrections, the 2.75% represents approximately \$6 million in additional cuts for FY10. At the present time, we are reviewing the options we have available to us for meeting this reduction with the least possible negative impact on public safety and Department operations. We will provide you with additional information concerning this review when it is finalized. None of the potential options are desirable, and the process of making decisions regarding how to meet this reduction is difficult for everyone involved.

In addition, the Legislature is, at this point, attempting to craft a compromise that will close a \$70 million gap between anticipated revenues and currently authorized spending. We will be providing you with additional information regarding those discussions as they impact our agency, as well as decisions regarding these additional cuts in the Department of Corrections budget as that information becomes available.